MALACAÑANG Manila

PRESIDENTIAL DECREE NO. 1284

GRANTING AUTHORITY TO THE PHILIPPINE PORTSAUTHORITY TO PLAN, CONSTRUCT, DEVELOP AND MAINTAIN ALL PORT TERMINAL FACILITIES IN THE INTERNATIONAL PORT NORTH HARBOR, MANILA BAY, TO SUPERVICE THE OPERATION AND MANAGEMENT OF SUCH FACILITIES, AZMENDING FOR THE PURPOSE PRESIDENTIAL DECREE NO. 634, DATED 7TH OF JANUARY 1975, REPEALING PRESIDENTIAL DECREE NO.802 DATED 18TH SEPTEMBER 1975, AND FOR OTHER PURPOSES

WHEREAS, pursuant to Presidential Decree No. 637 dated 7th January 1975, Manila International Port Terminals, Inc. (MIPTI) was granted a franchise to develop, operate and maintain modern container facilities at the International port Complex, North Harbor, Manila Bay, Tondo District, Manila;

WHEREAS, it has become necessary for the Philippine Ports Authority (PPA) to have the primary responsibility for the planning, development and maintenance of the International Port Complex at the North Harbor in accordance with the declared objectives of the government under Presidential Decree No. 857;

WHEREAS, due to the experience of Manila International Port Terminals, Inc. in port operations, its franchise shall cover the operations and management of the International Port Complex at North Harbor to ensure economy and efficiency of operations and in order not to burden the Philippine Ports Authority with day-to-day waterfront operations;

NOW, THEREFORE, I, FERDINAND E. MARCOS, President of the Philippines, by virtue of the powers vested in me by the constitution, do hereby decree and order as part of the of the land, the following;

SECTION 1. Section two of the Presidential Decree No. 634 is hereby amended to read as follows:

"Section 2. Subject to the terms and conditions established in this Decree and in Act Numbered Twenty One Hundred Thirty Seven and to the provision of the Constitution, the Manila International Ports Terminals, Inc. (MIPTI) is hereby granted for a period of twenty five years, the right, privilege and authority to operate and manage all facilities, container terminals, gantry cranes or bridge

cranes, warehouses storage depots, cold installation and other structures in the Manila International Port Terminal Complex, North Harbor, Manila, to render services to shipping lines and others requiring the use of aforesaid facilities and to charge and collect a schedule of rates and fees for the use of said container terminals and facilities, storage depots, docks, landing facilities, developed land areas and shipping and allied commercial facilities and for services rendered, which scheduled of rates and fees shall be prescribed from time to time by the Philippine Ports Authority: Provided, that all such revenues collected shall belong to the Philippine Ports Authority deducting from only such fees and charges as may be pertaining to MIPTI under such terms, conditions or proportions to be agreed upon from time to time by the Philippine Ports Authority and MIPTI taking into consideration the government's total investment, reasonable operating costs and fair or reasonable profit, among others: Provided further, That the Bureau of Customs shall exercise jurisdiction over the International Port Complex at the extent now authorized by law.

SEC. 2. Section three of Presidential Decree No. 634 is hereby amended to read as follows:

"SECTION 3. For the right, privilege and authority to operate and manage all installation and facilities in the aforesaid International Port, The Manila International Port Terminals . Inc. shall provide and maintain on its own movable equipment to back up the container and bulk handling systems installed in the projects, such as container transporters, forklifts, chassis and trailers, trucking mobile cranes, prime movers, and such other facilities as shall be prescribed or considered necessary for the efficient operation and management of the International Port Complex."

- SEC. 3. The authority, power and responsibility to plan, design, construct and develop the International Port Complex at North Harbor, including the surrounding areas necessary for modern post operations as well as the supervision of its operations and the maintenance of structures, buildings and fixed cargo handling facilities therein, are hereby removed from the Manila International Port Terminals, Inc. and transferred to the Philippine Port Authority.
- SEC. 4. The Philippine Ports Authority shall in addition have the following powers, functions and responsibilities:
 - (a) Undertake any study or work for the development, construction and supervision of all portworks, facilities and dredging in the International Port Complex and its vicinity;
 - (b) Fix the schedule of rates of fees for all services rendered therein and promulgate guidelines and standards for the efficient operation and management of the complex by MIPTI; and

- (c) Conduct periodic inspections and audit of the operation and management of the International Port Complex by MIPTI to determine the latter's compliance with the prescribed standards, rates fixed, and guide lines promulgated, and if warranted, recommend to the President and suspension or revocation of MIPTI's franchise.
- SEC. 5. The Philippine Ports Authority shall either: (a) reimburse MIPTI or the Government Service Insurance System actual and reasonable expenses incurred in the pre-development undertaking of the project; or (b) assume such obligations contracted by MIPTI from the GSIS, which shall, either case, be only in such amounts as shall have been actually and reasonably spent by MIPTI in the pre-development undertaking of the of the project. All such engineering, feasibility studies, plans, designs calculations, soil investigations, and studies and other pre-development accomplishments shall be turned over by MIPTI to the Authority for proper valuation and audit of all relevant expenses of MIPTI for the aforesaid purposes.
- SEC. 6. A committee composed of one representative each from the Commission on Audit, Philippine Ports Authority, and MIPTI is hereby created for the purpose of determining the amounts actually and reasonably expended in the predevelopment undertaking of the project.
- SEC. 7. The Philippine Ports Authority shall turn over Gradually to the Manila International Port Terminals, Inc. facilities and installations as their constructions are completed, in order to initiate operation of the International Port and render services
- SEC. 8. Presidential Decree No. 802 dated 18 September 1975 is hereby repealed. All other laws, decrees, rules and regulations inconsistent herewith are hereby repealed or modified accordingly.
 - SEC.9. This Decree shall take effect immediately.

Done in the City of Manila, this 16th day of January, in the year of Our Lord, nineteen hundred and seventy-eight.

(SGD.) FERDINAND E. MARCOS President of the Philippines

By the President:

(SGD.) JACOBO C. CLAVE Presidential Executive Assistant